

Acct 3-3

JUN 17 1957

Director of Personnel

Chief, Audit Staff

Report of Audit of The Public Service Aid Society  
31 December 1953 - 31 May 1957

1. This report covers the audit of The Public Service Aid Society for the period 31 December 1953, date of incorporation in the District of Columbia, through 31 May 1957. The Society is governed by a Board of Trustees consisting of nine members. Its purpose is to render charitable assistance to deserving present and former employees of the Federal Government and their widows and dependents. Funds of the Society are derived entirely from voluntary contributions.
2. The financial transactions of The Public Service Aid Society for the audit period are summarized as follows:

Receipts	
Contributions received.....	\$8,334.81
Repayments on loans.....	40.00
	<u>\$8,374.81</u>
Disbursements	
Grants.....	3,809.05
Loans.....	2,759.00
Office supplies.....	26.02
	<u>6,594.07</u>
Cash in bank and on hand, 31 May 1957.....	<u>\$1,780.74</u>

There were five grants and four non-interest-bearing loans made during the audit period. Loans outstanding at the end of the period amounted to \$2,719.00 and were current.

Comments on Audit

3. Contributions received through the Consolidated Charities Committee totaling \$5,899.60 were verified with the Committee's records. It was not practicable to verify all other contributions.

4. Grants and loans made as reflected on the records were traced to individual applications for assistance which were authorized and approved by at least two members of the Executive Committee. According to resolutions passed by the Board of Trustees on 30 September 1955, the Executive Committee is empowered to act only on emergency grants and loans, where time does not permit the consideration of the grant or loan by the Board of Trustees, and must submit a full statement of the facts in each case involving the use of this authority to the Board

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SUBJECT: Report of Audit of The Public Service Aid Society  
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of Trustees at quarterly intervals. We were informed that these resolutions were not complied with due to the difficulty in arranging a meeting of the Board of Trustees. Consideration should be given to adopting a resolution empowering the Executive Committee to act on all grants and loans with review of the transactions by the Board of Trustees at the regular annual meeting.

5. The Society has not filed tax or information returns with the Internal Revenue Service or the District of Columbia. We have been informed that the matter of filing returns has been referred to the Office of General Counsel for consideration.

Administrative Action Requested

6. The Society should consider empowering the Executive Committee to act on all grants and loans with review of the transactions by the Board of Trustees at the regular annual meeting. (Paragraph h)

Assistant

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